

Question number	Indicative content	Mark
7(e)	<ul style="list-style-type: none"> • Crowd funding is an effective source of finance because it means that finance can be raised without any repayments being required, as would be the case if Emilie were to choose a bank loan (AO1b). • There are a wide range of sources of finance that are appropriate for <i>Good and Proper Tea</i>, including bank loans and share issue (AO1b). • As <i>Good and Proper Tea</i> is a new business it will require finance to expand and grow. Crowd funding can be highly effective for such a business as it can keep fixed costs to a minimum (AO2). • Crowd funding can help to raise the profile of <i>Good and Proper Tea</i>, in addition to raising the finance. With 372 investors, these individuals will play an important part in promoting the business (AO2). • As a relatively new start-up, <i>Good and Proper Tea</i> needs to keep costs as low as possible in the short term so it can establish itself in the market. Crowd funding is an effective way of doing this as the people taking the risk are the investors (AO3a). • As <i>Good and Proper Tea</i> is a new business, with a number of competitors, such promotion will be useful (AO3a). • However, crowd funding does mean that the profits of <i>Good and Proper Tea</i> will need to be shared with the investors. As the business had 372 backers, this will mean that the profits Emilie earns will be shared between a larger number of people (AO3b). • However, whether crowd funding is the best source of finance depends on the objectives of Emilie. The 372 investors have only risked their stake, for some as low as £1, and they are unlikely to be experts in the market (AO3b). 	<p>(12)</p> <p>AO1b=3</p> <p>AO2=3</p> <p>AO3a=3</p> <p>AO3b=3</p>

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-4	<ul style="list-style-type: none"> • Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used (AO1b). • Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3a). • Draws a conclusion, supported by generic assertions from limited evaluation of business information and issues (AO3b).
Level 2	5-8	<ul style="list-style-type: none"> • Demonstrates mostly accurate knowledge and understanding of business concepts and issues, including appropriate use of business terminology in places (AO1b). • Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3a). • Draws a conclusion based on sound evaluation of business information and issues (AO3b).
Level 3	9-12	<ul style="list-style-type: none"> • Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology (AO1b). • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3a). • Draws a valid and well-reasoned conclusion based on a thorough evaluation of business information and issues (AO3b).